

**Before the  
Public Service Commission of South Carolina  
Docket No. 2015-4-G**

**Annual Review of Purchased Gas Adjustment and Gas Purchasing Policies  
of  
Piedmont Natural Gas Company, Inc.**

**Settlement Testimony  
of  
Robert L. Thornton**

**On Behalf Of  
Piedmont Natural Gas Company, Inc.**



**June 29, 2015**

1 **Q. Mr. Thornton, please state your name, business address, and**  
2 **occupation.**

3 A. My name is Robert L. Thornton. My business address is 4720 Piedmont  
4 Row Drive, Charlotte, North Carolina. I am the Managing Director of Gas  
5 and Regulatory Accounting for Piedmont Natural Gas Company  
6 (“Piedmont” or the “Company”).

7 **Q. Are you the same Robert L. Thornton who prefiled direct testimony in**  
8 **this docket on June 3, 2015?**

9 A. Yes, I am.

10 **Q. Mr. Thornton, have you previously testified before this Commission or**  
11 **any other regulatory authority?**

12 A. Yes, I have previously testified before this Commission and other regulatory  
13 authorities on a number of occasions.

14 **Q. What is the purpose of your settlement testimony in this proceeding?**

15 A. I will discuss and offer testimony in support of the Settlement Agreement  
16 reached by the parties of record (“Parties”) in the Annual Review of  
17 Purchased Gas Adjustment and Gas Purchasing Policies of Piedmont.

18 **Q. Please describe the Settlement Agreement reached by the Parties and**  
19 **filed with the Commission on June 29, 2015.**

20 A. The Settlement Agreement affirms the Parties concurrence that:

- 21 1) Piedmont’s gas purchasing policies and practices during the Review  
22 Period were reasonable and prudent;

1        2) Piedmont properly adhered to the gas cost recovery provisions of its gas  
2        tariff and relevant Commission Orders during the Review Period;  
3        3) Piedmont managed its hedging program during the Review Period in a  
4        reasonable and prudent manner consistent with Commission Orders; and  
5        4) The end-of-period balances for Piedmont's hedging and deferred gas  
6        cost accounts are those reflected in my prefiled direct testimony and the  
7        prefiled direct testimony of ORS witness Daniel Sullivan.

8        **Q. Is it the opinion of Piedmont that the Commission's approval of the**  
9        **Settlement Agreement is in the interest of Piedmont and the public**  
10       **interest?**

11      A. Yes. Following extensive review, examination, and discussions between  
12      Piedmont and the ORS, both Parties agreed to each of the matters stipulated  
13      above. The Settlement is offered by all Parties as a fair, reasonable and full  
14      resolution of all issues in this proceeding as signified by all parties being  
15      signatories to the Settlement Agreement. Piedmont believes that the  
16      Settlement Agreement reached by the Parties in this docket balances the  
17      concerns of the using and consuming public while preserving the financial  
18      integrity of Piedmont and that the Settlement Agreement does not inhibit  
19      economic development.

20      **Q. What is your recommendation to the Commission with respect to the**  
21      **Settlement Agreement?**

22      A. Piedmont recommends that the Commission approve the Settlement  
23      Agreement as filed in this proceeding.

1   **Q.   Does this conclude your testimony?**

2   A.   Yes it does.

## **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the attached documents are being served this date via email and UPS Overnight (via email and UPS Overnight) upon:

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And that a copy of the attached documents are being served this date via email upon:

David Carpenter  
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Pia Powers  
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This the 29th day of June, 2015.

s/ James H. Jeffries IV  
James H. Jeffries IV